

SENATE, No. 4240

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED NOVEMBER 18, 2019

Sponsored by:

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

SYNOPSIS

Allocates \$10 million of constitutionally dedicated CBT revenues to DEP for certain lake management activities.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the use of constitutionally dedicated
2 corporation business tax revenues by the State for certain
3 recreation and conservation purposes and amending P.L.2016,
4 c.12.

5
6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*

8
9 1. Section 6 of P.L.2016, c.12 (C.13:8C-48) is amended to read
10 as follows:

11 6. a. The State Treasurer shall establish a fund to be known as
12 the "Preserve New Jersey Green Acres Fund" and shall deposit into
13 the fund all moneys received pursuant to paragraph (1) of
14 subsection a. of section 5 of P.L.2016, c.12 (C.13:8C-47),
15 paragraph (1) of subsection a. of section 1 of P.L.2019, c.136
16 (C.13:8C-47.1), and any other moneys appropriated by law for
17 deposit into the fund.

18 Moneys in the fund shall be invested in permitted investments or
19 shall be held in interest-bearing accounts in those depositories as
20 the State Treasurer may select, and may be invested and reinvested
21 in permitted investments or as other trust funds in the custody of the
22 State Treasurer in the manner provided by law. All interest or other
23 income or earnings derived from the investment or reinvestment of
24 moneys in the fund shall be credited to the fund. Moneys derived
25 from the payment of principal and interest on the loans to local
26 government units authorized by P.L.2016, c.12 (C.13:8C-43 et seq.)
27 shall also be held in the fund.

28 b. Of the amount deposited in State fiscal year 2017 through
29 and including State fiscal year 2019 into the Preserve New Jersey
30 Green Acres Fund pursuant to paragraph (1) of subsection a. of
31 section 5 of P.L.2016, c.12 (C.13:8C-47):

32 (1) 55 percent shall be allocated for the purpose of paying the
33 cost of acquisition and development of lands by the State for
34 recreation and conservation purposes, and the amount provided
35 pursuant to this paragraph shall be allocated as follows:

36 (a) 50 percent shall be allocated for the purpose of paying the
37 cost of acquisition of lands by the State for recreation and
38 conservation purposes; and

39 (b) 50 percent shall be allocated for the purpose of paying the
40 cost of development of lands by the State for recreation and
41 conservation purposes, and of the amount provided pursuant to this
42 subparagraph:

43 (i) up to 22 percent shall be allocated for the purpose of paying
44 the cost for stewardship activities undertaken on lands administered
45 by the Division of Fish and Wildlife in the department; and

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 (ii) up to 22 percent shall be allocated for the purpose of paying
2 the cost for stewardship activities undertaken on lands administered
3 by the Division of Parks and Forestry in the department;

4 (2) 38 percent shall be allocated for the purposes of providing
5 grants and loans to assist local government units to pay the cost of
6 acquisition and development of lands for recreation and
7 conservation purposes, and of this amount, up to two percent shall
8 be allocated for stewardship activities undertaken by local
9 government units; and

10 (3) seven percent shall be allocated for the purposes of
11 providing grants to assist qualifying tax exempt nonprofit
12 organizations to pay the cost of acquisition and development of
13 lands for recreation and conservation purposes, and of this amount,
14 11 percent shall be allocated for stewardship activities undertaken
15 by qualifying tax exempt nonprofit organizations.

16 c. Any repayments of the principal and interest on loans issued
17 to local government units for the acquisition or development of
18 lands for recreation and conservation purposes using
19 constitutionally dedicated CBT moneys shall be deposited into the
20 Preserve New Jersey Green Acres Fund, and shall be specifically
21 dedicated for the issuance of additional grants and loans in the same
22 manner as provided in subsections a. and b. of section 27 of
23 P.L.1999, c.152 (C.13:8C-27) and this section.

24 d. (1) The moneys in the fund are specifically dedicated and
25 shall be used for the same purposes and according to the same
26 criteria and provisions as those set forth in section 26 of P.L.1999,
27 c.152 (C.13:8C-26), and as provided pursuant to P.L.2016, c.12
28 (C.13:8C-43 et seq.) and this section.

29 (2) Grants and loans issued to local government units and grants
30 issued to qualifying tax exempt nonprofit organizations using
31 constitutionally dedicated CBT moneys for the acquisition and
32 development of lands for recreation and conservation purposes shall
33 be subject to the same provisions as those prescribed in section 27
34 of P.L.1999, c.152 (C.13:8C-27), except as otherwise provided in
35 section 10 of P.L.2016, c.12 (C.13:8C-52).

36 (3) Notwithstanding any provision of P.L.2016, c.12 (C.13:8C-
37 43 et seq.) or P.L.1999, c.152 (C.13:8C-1 et seq.) to the contrary,
38 projects of the Palisades Interstate Park Commission established
39 pursuant to P.L.1980, c.104 (C.32:14-1.1 et seq.) for the acquisition
40 or development of land for recreation and conservation purposes in
41 New Jersey shall be considered State projects for the purposes of
42 eligibility for funding pursuant to the provisions of P.L.2016, c.12
43 (C.13:8C-43 et seq.).

44 e. Moneys in the fund shall not be expended except in
45 accordance with appropriations from the fund made by law. Any
46 act appropriating moneys from the Preserve New Jersey Green
47 Acres Fund shall identify any particular project or projects to be
48 funded by the moneys, and any expenditure for a project for which

1 the location is not identified by municipality and county in the
2 appropriation shall require the approval of the Joint Budget
3 Oversight Committee, or its successor, except as permitted
4 otherwise in accordance with the same exceptions as those specified
5 in paragraph (2) of subsection a. of section 23 of P.L.1999, c.152
6 (C.13:8C-23).

7 f. Unexpended moneys due to project withdrawals,
8 cancellations, or cost savings shall be returned to the fund.

9 g. Of the amount authorized pursuant to this section, not more
10 than five percent shall be utilized for organizational, administrative
11 and other work and services, including salaries, equipment and
12 materials necessary to administer the applicable provisions of
13 P.L.2016, c.12 (C.13:8C-43 et seq.).

14 h. To the end that municipalities may not suffer a loss of taxes
15 by reason of the acquisition and ownership by the State of lands in
16 fee simple for recreation and conservation purposes, or the
17 acquisition and ownership by qualifying tax exempt nonprofit
18 organizations of lands in fee simple for recreation and conservation
19 purposes that become certified as exempt from property taxes
20 pursuant to P.L.1974, c.167 (C.54:4-3.63 et seq.) or similar laws,
21 the State shall make payments annually in the same manner as
22 payments are made pursuant to section 29 of P.L.1999, c.152
23 (C.13:8C-29).

24 i. The State shall not use the power of eminent domain in any
25 manner for the acquisition of lands by the State for recreation and
26 conservation purposes using constitutionally dedicated CBT
27 moneys in whole or in part unless a concurrent resolution approving
28 that use is approved by both Houses of the Legislature; except that,
29 without the need for such a concurrent resolution, the State may use
30 the power of eminent domain to the extent necessary to establish a
31 value for lands to be acquired from a willing seller by the State for
32 recreation and conservation purposes using constitutionally
33 dedicated CBT moneys in whole or in part.

34 j. Of the amount deposited in each State fiscal year
35 commencing in State fiscal year 2020 and annually thereafter into
36 the Preserve New Jersey Green Acres Fund pursuant to paragraph
37 (1) of subsection a. of section 1 of P.L.2019, c.136 (C.13:8C-47.1):

38 (1) 60 percent shall be allocated for the purpose of paying the
39 cost of acquisition and development of lands by the State for
40 recreation and conservation purposes, and the amount provided
41 pursuant to this paragraph shall be allocated as follows:

42 (a) 45 percent shall be allocated for the purpose of paying the
43 cost of acquisition of lands by the State for recreation and
44 conservation purposes, and of this amount, a minimum of 10
45 percent shall be allocated for Blue Acres projects; and

46 (b) 55 percent shall be allocated for the purpose of paying the
47 cost of development of lands by the State for recreation and

1 conservation purposes, and of the amount provided pursuant to this
2 subparagraph:

3 (i) up to 22 percent shall be allocated for the purpose of paying
4 the cost for stewardship activities undertaken on lands administered
5 by the Division of Fish and Wildlife in the department; **[and]**

6 (ii) up to 22 percent shall be allocated for the purpose of paying
7 the cost for stewardship activities undertaken on lands administered
8 by the Division of Parks and Forestry in the department; and

9 (iii) commencing in State fiscal year 2021 and annually
10 thereafter, a minimum of \$10,000,000 shall be allocated for paying
11 the cost of development of lands by the State for recreation and
12 conservation purposes, including stewardship activities, undertaken
13 for the management and maintenance of lakes on lands administered
14 by the Division of Fish and Wildlife or the Division of Parks and
15 Forestry in the department;

16 (2) 30 percent shall be allocated for the purposes of providing
17 grants and loans to assist local government units to pay the cost of
18 acquisition and development of lands for recreation and
19 conservation purposes, including Blue Acres projects, and of this
20 amount, up to 10 percent shall be allocated for stewardship
21 activities undertaken by local government units; and

22 (3) 10 percent shall be allocated for the purposes of providing
23 grants to assist qualifying tax exempt nonprofit organizations to pay
24 the cost of acquisition and development of lands for recreation and
25 conservation purposes, including Blue Acres projects, and of this
26 amount, 11 percent shall be allocated for stewardship activities
27 undertaken by qualifying tax exempt nonprofit organizations.

28 k. (1) In addition to the purposes set forth in subsection d. of
29 this section, moneys in the Preserve New Jersey Green Acres Fund
30 may be applied for the purposes of providing moneys to:

31 (a) meet the Blue Acres costs to the State for the acquisition of
32 lands for a Blue Acres project; or

33 (b) provide grants, pursuant to the provisions of paragraph (2) of
34 this subsection, to assist a qualifying tax exempt nonprofit
35 organization in meeting the Blue Acres costs for the acquisition of
36 lands for a Blue Acres project.

37 (2) A grant by the State for lands to be acquired by a qualifying
38 tax exempt nonprofit organization for a Blue Acres project may
39 include up to 50 percent of the Blue Acres cost of acquisition of the
40 lands by the qualifying tax exempt nonprofit organization.

41 (a) A qualifying tax exempt nonprofit organization shall not use
42 as its matching share of the Blue Acres cost of acquisition of lands
43 for a Blue Acres project any constitutionally dedicated moneys, as
44 defined pursuant to section 3 of P.L.1999, c.152 (C.13:8C-3), or
45 any grant moneys obtained from a Green Acres bond act.

46 (b) To qualify to receive a grant from the Preserve New Jersey
47 Blue Acres Fund, the board of directors or governing body of the
48 applying tax exempt nonprofit organization shall:

1 (i) demonstrate to the commissioner that the organization
2 qualifies as a charitable conservancy for the purposes of P.L.1979,
3 c.378 (C.13:8B-1 et seq.);

4 (ii) demonstrate that the organization has the resources to match
5 the grant requested;

6 (iii) agree to make and keep the lands accessible to the public,
7 unless the commissioner determines that public accessibility would
8 be detrimental to the lands or any natural resources associated
9 therewith;

10 (iv) agree not to convey the lands except to the federal
11 government, the State, a local government unit, or another
12 qualifying tax exempt nonprofit organization, for recreation and
13 conservation purposes; and

14 (v) agree to execute and donate to the State at no charge a
15 conservation restriction pursuant to P.L.1979, c.378 (C.13:8B-
16 1 et seq.) on the lands to be acquired with the grant.

17 1. In addition to any other reporting requirements required by
18 law, the department shall annually send a written report to the
19 Chairperson of the Senate Environment and Energy Committee, the
20 Assembly Agriculture and Natural Resources Committee, and the
21 Assembly Environment and Solid Waste Committee, or their
22 successors, identifying the projects funded with moneys pursuant to
23 subparagraph (b) of paragraph (1) of subsection j. of this section.
24 This report shall: (1) identify the project type, location, and cost for
25 each development project; and (2) identify the stewardship
26 activities, including the location and cost for each stewardship
27 activity, undertaken on lands administered by the Division of Fish
28 and Wildlife and Division of Parks and Forestry pursuant to
29 subparagraph (b) of paragraph (1) of subsection j. of this section.

30 (cf: P.L.2019, c.136, s.3)

31
32 2. This act shall take effect immediately.

33 34 35 STATEMENT

36
37 This bill would allocate \$10 million annually from
38 constitutionally dedicated corporation business tax (CBT) revenues
39 for development, including stewardship activities, undertaken for
40 the management and maintenance of lakes on lands administered by
41 the Division of Fish and Wildlife or the Division of Parks and
42 Forestry in the Department of Environmental Protection (DEP).

43 The funding in this bill is provided from constitutionally
44 dedicated corporation business tax (CBT) revenues pursuant to
45 Article VIII, Section II, paragraph 6 of the State Constitution,
46 approved by the voters of the State in November 2014. The
47 “Preserve New Jersey Act,” P.L.2016, c.12 (C.13:8C-43 et seq.)
48 implements the constitutional dedication of CBT revenues for open

1 space, farmland, and historic preservation. The act provides that a
2 certain amount of the portion of dedicated CBT revenues allocated
3 each year for the Green Acres program is to be used for: the
4 acquisition of lands for open space, including Blue Acres projects,
5 and development projects, including stewardship activities, on State
6 lands administered by the DEP's Division of Fish and Wildlife and
7 Division of Parks and Forestry; grants and loans to fund local
8 government open space acquisition and development projects; and
9 grants to nonprofit entities to acquire or develop lands for
10 recreation and conservation purposes. The "Preserve New Jersey
11 Green Acres Fund" was established by section 6 of the "Preserve
12 New Jersey Act."

13 This bill would specify that \$10 million of the amount allocated
14 for development of lands by the State for recreation and
15 conservation purposes be allocated for the management and
16 maintenance of lakes on lands administered by the Division of Fish
17 and Wildlife or the Division of Parks and Forestry.

18 "Stewardship activity" is defined in the act as an activity, which
19 is beyond routine operations and maintenance, undertaken to repair
20 or restore lands acquired or developed for recreation and
21 conservation purposes for the purpose of enhancing or protecting
22 those lands for recreation and conservation purposes.